



Public Utilities Commission

Joshua B. Epel, Chairman
Pamela J. Patton, Commissioner
Glenn A. Vaad, Commissioner
Doug Dean, Director

John W.
Hickenlooper
Governor

Barbara J.
Kelley
Executive
Director

NEWS RELEASE

August 21, 2014
For immediate release

News Release Contact:
Terry Bote, 303-894-2827

PUC TO TAKE PUBLIC COMMENT ON PROPOSED BLACK HILLS ELECTRIC RATE INCREASE

DENVER – The Colorado Public Utilities Commission (PUC) will take public comment in Pueblo on Thursday, Sept. 4, on a proposal by Black Hills Energy to increase annual electric revenues in Colorado by \$7.9 million.

The public hearing will be 4-7 p.m. in the Pueblo County Commissioners chambers, Pueblo County Courthouse, 215 W. 10th St.

The proposal would increase the average residential customer monthly bill by \$4.28, or about 4.54 percent. The average small commercial customer monthly bill would increase \$17.24, or 4.84 percent.

The company's last rate increase, which was effective on Jan. 1, 2012, covered expenses for new generation and related transmission at the Pueblo Airport Generation Station (PAGS). Since that time, Black Hills said it has invested approximately \$114 million in capital projects, including the Busch Ranch Wind Project, which was placed in service in 2012. The company said it will invest an additional \$54.6 million in capital projects in 2014.

In addition to the increase in electric base rates, the company is requesting approval of a new rate rider for cost recovery of investment made pursuant to the Clean Air Clean Jobs Act. The proposed rider, beginning Jan. 1, 2015, would allow the company to earn a return on construction work in progress for a third gas-fired generating unit at PAGS to replace its Canon City coal plant that was closed as part of Clean Air Clean Jobs.



If approved, the proposed rider would add another \$0.42 per month to an average residential customer's bill, and \$2.00 per month to a small commercial bill, in addition to the proposed changes to base rates.

Evidentiary hearings on the rate proposal are scheduled for Sept. 23-26 at the PUC in Denver. A decision is expected later this fall.

DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.

###